

## Message Text

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67

ORIGIN EB-07

INFO OCT-01 EUR-12 IO-10 ISO-00 AGR-05 CEA-01 CIAE-00

COME-00 DODE-00 FRB-03 H-02 INR-07 INT-05 L-03 LAB-04

NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15 STR-04

TAR-01 TRSE-00 USIA-06 PRS-01 SP-02 OMB-01 FEA-01

AF-06 ARA-06 EA-07 NEA-10 /132 R

DRAFTED BY EB/ITP/EWT - HKOPP:LLB  
APPROVED BY EB/ITP/EWT - MTLORIMER  
EUR/EE - DMILLER (PHONE)  
TREASURY - WBARREDA (PHONE)  
STR - ELAPP (PHONE)  
STR - AGARLAND (PHONE)  
USDA - RMCDONNELL (PHONE)  
COM/TNAD/OTP - BMARSH (PHONE)  
COM/BEWT - MLEVINE (PHONE)  
----- 044846

P R 192144Z SEP 75  
FM SECSTATE WASHDC  
TO USMISSION GENEVA PRIORITY  
INFO AMEMBASSY BUDAPEST  
USDEL MTN GENEVA

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E.O. 11652: N/A

TAGS: GATT, ETRD, HU

SUBJECT: GATT WORKING PARTY ON HUNGARY, SEPTEMBER 22-26

REF: GENEVA 4522

1. IN VIEW OF OUR LACK OF GATT RELATIONS WITH HUNGARY  
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AND INABILITY TO DISINVOKE ARTICLE XXXV, USDEL SHOULD

AVOID LEADING ROLE IN HUNGARIAN WP. USDEL MAY NOTE OUR TRADITIONAL OPPOSITION TO DISCRIMINATORY QR'S, BUT WE ARE NOT IN A POSITION TO PRESS ECON THIS ISSUE.

2. FYI: BUSINESS INTERNATIONAL'S SEPTEMBER 5 EASTERN EUROPEAN REPORT STATES THAT HUNGARIAN DEPUTY MINISTER OF INTERNAL TRADE ZOLTAN JUHAR "INFORMED THE PUBLIC" THAT HUNGARIAN IMPORTS OF WESTERN CONSUMER GOODS WOULD BE CUT AND THAT EFFORTS WOULD BE MADE TO SUBSTITUTE GOODS FROM CEMA COUNTRIES. BI REPORTS UPCOMING REDUCTION OF THE DOLLAR MULTIPLIER APPLIED TO EXPORTS (EMBASSY BUDAPEST'S 2954, NOTAL, CITES REDUCTION FROM 42 TO ABOUT 38.6 FORINTS, EFFECTIVE JANUARY 1) AND IN THE RUBLEEXPORT MULTIPLIER, QTE "TO KEEP THE PROPER PERSPECTIVE" BETWEEN HUNGARY'S TRADE WITH THE SOVIET UNION AND OTHER RUBLE-ACCOUNTING COUNTRIES. END QTE. TAX REBATES AND OTHER SCHEMES WILL BE INTRODUCED JANUARY 1 TO ENCOURAGE EXPORTS AND EXTEND STATE CONTROL OVER FOREIGN-TRADE TRANSACTIONS, ACCORDING TO BI. END FYI.

3. THESE DEVELOPMENTS MAY HAVE IMPLICATIONS FOR ARTICLE 3 (B) OF ACCESSION PROTOCOL. WHILE USDEL SHOULD NOT GO BEYOND POSING FACTUAL QUESTIONS IN FORMAL WP SESSIONS, WE SHOULD INDICATE OUR CONCERN INFORMALLY TO OTHER WESTERN DELEGATIONS AND, AS APPROPRIATE, TO THE HUNGARIANS.

4. EMBASSY BUDAPEST MAY WISH TO COMMENT ON BI REPORT. KISSINGER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** POLICIES, COMMITTEES, FOREIGN TRADE  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 19 SEP 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CunninFX  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Previous Handling Restrictions:** n/a  
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**TAGS:** ETRD, PFOR, HU, US, GATT  
**To:** GENEVA  
**Type:** TE  
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